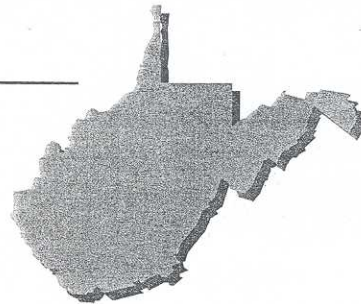


JAY ROCKEFELLER

UNITED STATES SENATOR FOR WEST VIRGINIA



N E W S R E L E A S E

FOR IMMEDIATE RELEASE
January 9, 2003

Contact: Wendy Morigi
(202) 224-6101

SENATORS ROCKEFELLER, COLLINS, NELSON AND SMITH OFFER \$20 BILLION IN STATE BUDGET RELIEF

Bipartisan Group Declares Economic Stimulus Must Include State Relief

WASHINGTON, D.C. – In response to the worst budget crisis facing states in over 50 years, Senator Jay Rockefeller (D-WV) was joined by a bipartisan group of senators today in unveiling "The State Budget Relief Act of 2003". The legislation will provide \$20 billion in immediate assistance for states to help finance increases in Medicaid enrollment due to rising unemployment, and to prevent reductions in health insurance coverage. In addition to Rockefeller, the key sponsors of the bipartisan legislation are Senators Susan Collins (R-ME), Ben Nelson (D-NE) and Gordon Smith (R-OR).

"The states' need for financial relief is real and has significant consequences," Rockefeller said. "The economic downturn has caused revenues to plunge, and this year promises to be even worse for most states. As we debate the best way to stimulate our economy, putting money back into the states' budgets must be one of our top priorities."

Rockefeller added, "With this relief, we are not only assisting the states financially, but more importantly, we are helping secure health care for many of the most vulnerable Americans."

The "State Budget Relief Act" will provide a temporary increase in federal Medicaid matching rates, which will help reduce the pressure on states to cut health insurance coverage for low-income families and individuals. It will be effective for 18 months from April 23. The total estimated cost of the proposal is \$20 billion.

"Without this help, states will likely have to make additional cuts in the Medicaid program, stripping health insurance from approximately one million low-income people, primarily parents and children," the senator concluded. "This financial relief is absolutely critical and I'm committed to making it a reality."

###

telephone: 202-224-6101 • fax: 202-224-1515 • <http://rockefeller.senate.gov>
531 Hart Senate Building, Washington, DC 20510